

MAGNANIMO & DEAN, LLP
FRANK A. MAGNANIMO
21031 Ventura Boulevard
Suite 803
Woodland Hills, CA 91364
Telephone: (818) 305-3450
Facsimile: (818) 305-3451
Email: Frank@MagDeanLaw.com

GAINEY McKENNA & EGLESTON
THOMAS J. MCKENNA
GREGORY M. EGLESTON
440 Park Avenue South, 5th Floor
New York, New York 10016
Tel: (212) 983-1300
Fax: (212) 983-0383
Email: tjmckenna@gme-law.com
Email: gegleston@gme-law.com

Attorneys for Plaintiff

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

LEONARD R. PINTO, Derivatively
on Behalf of ARLO
TECHNOLOGIES, INC.,

Plaintiff,

v.

SEAN AGGARWAL, JOCELYN E.
CARTER-MILLER, RALPH E.
FAISON, MATTHEW McRAE,
MIKE POPE, GRADY K.
SUMMERS, and AMY ROTHSTEIN

Defendants,

-and-

ARLO TECHNOLOGIES, INC.

Nominal

Defendant.

Case No.: 5:19-cv-03354

**JOINT STIPULATION AND
[PROPOSED] ORDER TO STAY
DERIVATIVE ACTION**

1 Plaintiff Leonard R. Pinto (“Plaintiff”) filed the above-captioned derivative
2 action (“Derivative Action”) on behalf of nominal defendant Arlo Technologies, Inc.
3 (“Arlo”) against Defendants Sean Aggarwal, Jocelyn E. Carter-Miller, Ralph E.
4 Faison, Matthew McRae, Mike Pope, and Grady K. Summers (collectively, the
5 “Individual Defendants,” and together with Arlo, the “Defendants”) alleging claims
6 for breach of fiduciary duty, waste of corporate assets, and violation of Section 10(b)
7 of the Securities Exchange Act of 1934.¹ Defendants agreed to waive service of the
8 summons and Complaint. (ECF Nos. 10–16.)

9
10 In addition to the Derivative Action, there is a related federal securities class
11 action pending before Judge Beth Labson Freeman, captioned *Wong v. Arlo*
12 *Technologies, Inc., et al.*, Case No.: 5:19-cv-372 (N.D. Cal.) (the “Securities Class
13 Action”). The allegations in the Derivative Action substantially overlap with those in
14 the Securities Class Action. Broadly speaking, the Securities Class Action alleges
15 that Arlo and certain officers and directors made false or misleading statements in
16 connection with Arlo’s 2018 initial public offering whereas the Derivative Action
17 alleges that Arlo’s current directors breached their fiduciary duties in connection with
18 those alleged misstatements.

19 The defendants in the Securities Class Action have moved to dismiss the
20 complaint for failure to state a claim, and a hearing is set for December 5, 2019.
21 Resolution of that motion will inform how the Derivative Action proceeds. As a
22 result, the parties in the Derivative Action (the “Parties”) agree that that the interests
23 of justice and effective case management would be best served by temporarily staying
24 the Derivative Action until the resolution of the pending motion to dismiss in the
25 Securities Class Action.

26
27
28 ¹ Plaintiff initially named Amy Rothstein as a defendant but dismissed all claims
against her on July 16, 2019. (ECF No. 17.)

1 **NOW THEREFORE**, it is hereby stipulated by the Parties hereto, through
2 their undersigned counsel, subject to the approval of the Court, as follows:

3 1. The Derivative Action (including all discovery) shall be stayed until
4 either (1) the motion to dismiss the Securities Class Action is denied, or (2) the
5 Securities Class Action is dismissed, with prejudice, and all appeals related thereto
6 have been exhausted, or (3) any of the Parties to this Stipulation has given a ten (10)
7 day notice in writing that they no longer consent to the voluntary stay of the Derivative
8 Litigation. If any of these events occur, then within thirty (30) days of that event, the
9 Parties will meet and confer in good faith to determine a schedule for future
10 proceedings in this action, and will file a proposed scheduling order governing further
11 proceedings.

12 2. Defendants have no obligation to respond to the complaint in the
13 Derivative Action until after the stay of proceedings is lifted.

14 3. Any conference currently scheduled shall be postponed until after the
15 stay of proceedings is lifted.

16 4. If the parties in the Securities Class Action choose to pursue mediation,
17 Defendants agree to provide Plaintiff in the Derivative Action with reasonable
18 advance notice of the mediation and give him the opportunity to participate.

19 5. Notwithstanding this stay of this Derivative Action, Plaintiff may file an
20 amended complaint, but Defendants shall not be required to respond to any such
21 amended complaint while the Derivative Action is stayed.

22 6. Defendants shall alert Plaintiff and the Court if another derivative suit is
23 filed and moves forward.

24 7. At any time during which the Derivative Action is stayed pursuant to this
25 Order, any Party may file a motion with the Court seeking to modify the terms of the
26 Order, and that any such motion may be opposed by any other Party.
27
28

1 8. Defendants do not waive, and expressly reserve, all available defenses,
2 including those relating to jurisdiction and venue.

3
4 Dated: August 14, 2019

Respectfully submitted,

6 **MAGNANIMO & DEAN, LLP**

7 s/ Frank A. Maganimo

8 FRANK A. MAGANIMO

9
10 *Attorneys for Plaintiff Leonard R. Pinto*

11
12 **COOLEY LLP**

13
14 s/ Koji F. Fukumura

15 KOJI F. FUKUMURA

16
17 *Attorneys for Nominal Defendant Arlo*
18 *Technologies, Inc., and Defendants Sean*
19 *Aggarwal, Jocelyn E. Carter-Miller, Ralph E.*
Faison, Matthew McRae, Mike Pope, and
Grady K. Summers

SIGNATURE CERTIFICATION

I, Koji F. Fukumura, am the ECF User whose ID and password are being used to file this Joint Stipulation and [Proposed] Order to Stay Derivative Action. In compliance with Local Rule 5-1(i)(3), I hereby attest that counsel for all parties concur in this filing.

s/ Koji F. Fukumura

Koji F. Fukumura

* * *

ORDER

PURSUANT TO THE STIPULATION, IT IS SO ORDERED.

Dated: _____, 2019

Hon. Edward J. Davila
United States District Judge